GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:2965
ANSWERED ON:21.03.2002
WITHDRAWAL OF WORLD BANK FROM NJHPP
RADHA MOHAN SINGH;RAM JEEVAN SINGH

Will the Minister of POWER be pleased to state:

(a) whether the World Bank has withdrawn from the Naphtha Jhakri Hydro Power Project of the NJPC;

(b) if so, the reasons therefor;

(c) the stake of the Government in the project; and

(d) the manner in which the project is proposed to be implemented by the Government?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER(SHRIMATI JAYAWANTI MEHTA)

(a) & (b) : The World Bank has not withdrawn from Nathpa Jhakri Hydro-electricProject of the Nathpa Jhakri Power Corporation (NJPC). The loan sanctioned by the World Bank for construction of the Project initially had a closure date of December, 1997, which was extended to December, 1998 and then again upto March, 2002 so as to be concurrent with the Project commissioning date. The project commissioning was delayed due to the setback caused by the unprecedented flash flood of August, 2000. While the World Bank have expressed their full satisfaction with the progress of the Project, they have indicated their inability to extend the loan closing date beyond March, 2002, stating that the loan is the oldest in their portfolio of active loans and has already been extended for a period of 4Â½ years from its earlier closing date of December, 1997.

(c) & (d) : Nathpa Jhakri Hydro-electric Project is a Joint Venture of Government ofIndia and Government of Himachal Pradesh with cost sharing in the ratio of 3:1. The Project is being financed on 1:1 debt: equity pattern. The equity is being contributed by the Government of India and the Government of Himachal Pradesh and the loan portionis being funded by the World Bank, Power Finance Corporation and other sources.